

CABINET COUNCIL ON MANAGEMENT AND ADMINISTRATION

Meeting #14
June 15, 1983, 2:00 p.m.
Room 208, OEOB

MINUTES

Attendees: Meese, Harper, Wright, Carmen, Devine, Smith, Thayer, McNamar, Alvarez, Burnley, Hesse, Mossinghoff, Bledsoe, Cribb, Dunlop, Platt, Steinberg, Walters, Chipeco, Jackson

Reform 88 (CM #312)

The Council reviewed Reform 88 2nd quarter progress, in preparation for briefing the President. Mr. Wright summarized the status and progress of the Reform 88 projects. The OCA electronic mail system is in place and will be upgraded in several months to offer additional capabilities for White House communication with agencies. The President's Council on Integrity and Efficiency (PCIE) is reporting savings at the rate of about \$5 billion every six months. Financial systems and internal controls are improved, but several agencies are lagging behind. Mr. Wright alerted the Council to a requirement of the Financial Integrity Act that agency heads attest in writing to the President and Congress by December 31, 1983, that their internal controls are sound and in compliance with OMB guidelines. OMB assistance is available to enable agencies to meet this requirement.

Interest savings from cash management are increasing. Once lockbox and electronic transfer systems begin functioning in 1984, several billion dollars more in savings may be achievable. Credit collections are going up, but so are delinquencies (except in DOE and HHS). Automated collection centers, now being installed, will counter this trend. Inspectors General are generally doing well with computer auditing and audit recoveries. In many agencies, the ratios of personnel staff to agency staff are too high (1:68 average).

An upgrade is planned for ADP/telecommunications. About 2,200 publications have been reduced, as have 400 million burden hours of paperwork. The FTE reduction goal of 75,000 in 1984 is on target. Federal procurement reform and space management planning are also progressing.

Mr. Meese noted the significant progress achieved, and pointed out that this report would be used as a consistent quarterly reporting format in the future. Discussion ensued on the FTE reduction with Mr. Meese urging agencies to continue to resist pressures to hire.

In response to a question from Mr. McNamar about the President's Private Sector Survey on Cost Control, Mr. Meese stated that agency views on PPSSCC issues will be communicated and coordinated through OCA. When views within the Administration differ, the call on whether to implement or not will be made by the White House.

Mr. Harper noted that unification of Federal procurement regulations is nearly accomplished and should be hailed by the Administration.

Action: CCMA recommended that the Reform 88 report be presented to the President.